

		Reimbursement Policy
Subject: Professional Anesthesia Services		
Effective Date: 01/03/17	Committee Approval Obtained: 01/03/17	Section: Anesthesia
<p>*****The most current version of our reimbursement policies can be found on our provider website. If you are using a printed version of this policy, please verify the information by going to www.anthem.com/inmedicaiddoc.*****</p> <p>These policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement by Anthem Blue Cross and Blue Shield (Anthem) if the service is covered by Hoosier Healthwise, Healthy Indiana Plan and Hoosier Care Connect. The determination that a service, procedure, item, etc., is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis, as well as to the member's state of residence. You must follow proper billing and submission guidelines. You are required to use industry-standard, compliant codes on all claim submissions. Services should be billed with CPT codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to both participating and nonparticipating providers and facilities.</p> <p>If appropriate coding/billing guidelines or current reimbursement policies are not followed, Anthem may:</p> <ul style="list-style-type: none"> • Reject or deny the claim. • Recover and/or recoup claim payment. <p>Anthem's reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, Anthem strives to minimize these variations.</p> <p>Anthem reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to this site.</p>		
Policy	Anthem allows reimbursement of anesthesia services rendered by professional providers for covered members unless provider, state, federal or CMS contracts and/or requirements indicate otherwise. Reimbursement is based upon:	

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Providers who are contracted with Anthem Blue Cross and Blue Shield to serve Hoosier Healthwise, Healthy Indiana Plan and Hoosier Care Connect through an accountable care organization (ACO), participating medical group (PMG) or Independent Physician Association (IPA) are to follow guidelines and practices of the group. This includes but is not limited to authorization, covered benefits and services, and claims submittal. If you have questions, please contact your group administrator or your Anthem network representative.

- The reimbursement formula for the allowance and time increments in accordance with state guidelines.
- Proper use of applicable modifiers.

Providers must report anesthesia services in minutes. Anesthesia claims submitted with an indicator other than minutes may be rejected or denied. Start and stop times must be documented in the member's medical record. Anesthesia time starts with the preparation of the member for administration of anesthesia and stops when the anesthesia provider is no longer in personal and continuous attendance. The reimbursement formula for anesthesia allowance is based upon state guidelines.

Anesthesia modifiers

Anesthesia modifiers are appended to the applicable procedure code to indicate the specific anesthesia service or who performed the service. Modifiers identifying who performed the anesthesia service **must be** billed in the primary modifier field to receive appropriate reimbursement. Additional or reduced payment for modifiers is based on state requirements as applicable. If there is no state requirement, Anthem will default to CMS guidelines. Claims submitted for anesthesiology services without the appropriate modifier will be denied.

- **Modifier AA:** Anesthesiology service performed personally by an anesthesiologist — reimbursement is based on 100% of the applicable fee schedule or contracted/negotiated rate.
- **Modifier AD:** Medical supervision by a physician; more than four concurrent anesthesia procedures — reimbursement is based on 100% of the applicable fee schedule or contracted/negotiated rate for up to three base units for anesthesiologists who supervise three or more concurrent or overlapping procedures.
- **Modifier QK:** Medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals — reimbursement is based on 30% of the applicable fee schedule or contracted/negotiated amount.
- **Modifier QX:** Certified Registered Nurse Anesthetist (CRNA) service with medical direction by a physician — reimbursement is based on 60% of the applicable fee schedule or contracted/negotiated amount.
- **Modifier QY:** Anesthesiologist medically directs one CRNA — reimbursement is based on 50% of the applicable fee schedule or contracted/negotiated amount.
- **Modifier QZ:** CRNA service without medical direction by a physician — reimbursement is based on 100% of the applicable fee schedule or contracted/negotiated amount.

- **Modifier 23:** Denotes a procedure that must be done under general anesthesia due to unusual circumstances although normally done under local or no anesthesia — reimbursement is based on 100% of the applicable fee schedule or contracted/negotiated rate of the procedure. (Modifier 23 does not increase or decrease reimbursement; it substantiates billing anesthesia associated with the procedure in cases where anesthesia is not usually appropriate.)
- **Modifier 47:** Denotes regional or general anesthesia services provided by the surgeon performing the medical procedure — Anthem does not allow reimbursement of anesthesia services by the provider performing the medical procedure other than for obstetrics (see the Obstetrical anesthesia section of this policy); therefore, it is **not** appropriate to bill Modifier 47.

Multiple anesthesia procedures

Anthem allows reimbursement for professional anesthesia services during multiple procedures. Reimbursement is based on the anesthesia procedure with the highest base unit value and the overall time of all anesthesia procedures.

Obstetrical anesthesia

Anthem allows reimbursement for professional neuraxial epidural anesthesia services provided in conjunction with labor and delivery for up to 300 minutes by either the delivering physician or a qualified provider other than the delivering physician based on the time the provider is physically present with the member. Providers must submit additional documentation upon dispute for consideration of reimbursement of time in excess of 300 minutes. Reimbursement is based on one of the following:

- For the delivering physician — reimbursement is based on a flat rate or fee schedule using the surgical CPT pain management codes for epidural analgesia.
- For a qualified provider other than the delivering physician — reimbursement is based on:
 - The allowance calculation.
 - The inclusion of catheter insertion and anesthesia administration.

Services provided in conjunction with anesthesia

Anthem allows separate reimbursement for the services listed below when provided in conjunction with the anesthesia procedure or as a separate service. Reimbursement is based on the applicable fee schedule or

	<p>contracted/negotiated rate with no reporting of time.</p> <ul style="list-style-type: none"> • Swan-Ganz catheter insertion • Central venous pressure line insertion • Intra-arterial lines • Emergency intubation (must be provided in conjunction with the anesthesia procedure to be considered for reimbursement) • Critical care visits • Transesophageal echocardiography <p>Anthem allows additional reimbursement for the following physical status modifiers:</p> <ul style="list-style-type: none"> • Modifier P3: A patient with severe systemic disease — reimbursement of one additional time unit is allowed. • Modifier P4: A patient with a severe systemic disease that is a constant threat to life — reimbursement of two additional units is allowed. • Modifier P5: A moribund patient who is not expected to survive without the operation — reimbursement of three additional units is allowed. <p>Nonreimbursable</p> <p>Anthem does not reimburse for:</p> <ul style="list-style-type: none"> • Anesthesia consultations on the same date as surgery or the day prior to surgery if part of the preoperative assessment. • Anesthesia services performed for noncovered procedures including services considered not medically necessary, experimental and/or investigational. • Anesthesia services by the provider performing the basic procedure except for a delivering physician providing continuous epidural analgesia. • Local anesthesia considered incidental to the surgical procedure. • Standby anesthesia services.
<p>History</p>	<ul style="list-style-type: none"> • Biennial review approved and effective 01/03/17: Policy language updated • Initial review approved and effective 02/01/15
<p>References and Research Materials</p>	<p>This policy has been developed through consideration of the following:</p>

	<ul style="list-style-type: none"> • CMS • State Medicaid • State contracts • American Society of Anesthesiologists • Optum Learning: Understanding Modifiers, 2016 edition
Definitions	<ul style="list-style-type: none"> • Anesthesia: drugs or substances that cause a loss of consciousness or sensitivity to pain • Base unit: relative value unit associated with each anesthesia procedure code as assigned by CMS • Time unit: an increment of 15 minutes where each 15-minute increment constitutes one time unit • Conversion factor: a geographic-specific amount that varies by the locality where the anesthesia is administered • General Reimbursement Policy Definitions
Related Policies	<ul style="list-style-type: none"> • Maternity Services • Modifier usage • Reduced and Discontinued Services • Scope of practice
Related Materials	<ul style="list-style-type: none"> • None